



Declaration by the directors of a holding company in relation to assistance for the acquisition of shares

155(6)b

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
---	---	---	---	---	---	---	---	---	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	-----

0386
15/07/05

The assistance is for the purpose of ~~XXXXXX~~ [reducing or discharging a liability incurred for the purpose of that acquisition]. † (note 1)

Please do not write in this margin

Please complete legibly, preferably in black type, or bold block lettering

The number and class of the shares acquired or to be acquired is: 200,162,000 ordinary shares of £1 each and 50,000 preference shares of £5 each

The assistance is to be given to: (note 2) Wentworth No. 3 Limited (the "Borrower")
PO Box 173, Kingston Chambers, Road Town, Tortola, British Virgin Islands

The assistance will take the form of:

See Appendix 1

The person who [has acquired] ~~XXXXXX~~ † the shares is:
Wentworth No. 3 Limited

† delete as appropriate

The principal terms on which the assistance will be given are:

See Appendix 2

The amount (if any) by which the net assets of the company which is giving the assistance will be reduced by giving it is 0

The amount of cash to be transferred to the person assisted is £ 0

The value of any asset to be transferred to the person assisted is £ 0

Appendix 1
Form of Assistance

Pursuant to a term and revolving loan facilities agreement between the Borrower, the Guarantors named therein, Barclays Bank PLC as Agent and Security Trustee and Barclays Capital, HSBC Bank plc and The Royal Bank of Scotland plc as Arrangers (the "**Facilities Agreement**"), the Borrower has drawn down funds which have been or will be used, inter alia, to discharge indebtedness which it incurred in the acquisition of the shares described in the attached Form. The Subsidiary will accede to the Facilities Agreement pursuant to an accession letter to be entered into by the Borrower, the Subsidiary and the other Additional Guarantors named therein (the "**Accession Letter**").

The Subsidiary will provide financial assistance to the Borrower by:

- (A) executing and delivering the Accession Letter and performing its obligations under the Facilities Agreement, pursuant to which the Subsidiary will guarantee the Borrower's obligations under the Facilities Agreement;
- (B) executing, delivering and performing its obligations under a debenture between the Subsidiary and the other Guarantors named therein and the Security Trustee (the "**Debenture**") including the execution of supplemental legal charges relating to certain real property;

(each of which documents being in such form as may be amended, supplemented, novated and/or replaced from time to time); and

- (C) performing other acts in connection with the reduction or discharge of the liability incurred for the purpose of the acquisition.

Appendix 2
Principal Terms of Assistance

The principal terms on which the assistance will be given are:

- (A) under the Facilities Agreement, the Subsidiary (i) irrevocably and unconditionally jointly and severally guarantees the punctual performance by the Borrower of all the Borrower's obligations under the Finance Documents; (ii) undertakes that, whenever the Borrower fails to pay an amount due under or in connection with any Finance Document, it shall immediately pay that amount as if it was the principal obligor; (iii) provides an on demand indemnity against any cost, loss or liability arising as a result of any guaranteed obligation becoming unenforceable, invalid or illegal; (iv) grants an indemnity to the Finance Parties in respect of certain costs, expenses, liabilities and losses incurred; and (v) agrees to enter into a Subordination Agreement in certain specified circumstances;
- (B) under the Debenture, the Subsidiary (i) covenants with the Security Trustee to pay, discharge and satisfy all present and future obligations and liabilities (whether actual or contingent, whether owed jointly, severally or in any other capacity whatsoever and whether originally incurred by the Borrower or Guarantors or by some other person) of the Borrower or Guarantors to the Security Trustee (whether for its own account or as security trustee for the Secured Parties) or any of the other Secured Parties under each of the Finance Documents including any liability in respect of any further advances made under the Finance Documents (the "**Secured Obligations**"); (ii) charges in favour of the Security Trustee with full title guarantee by way of first legal mortgage, as security for the payment and discharge of the Secured Obligations, certain of its freehold and leasehold property; (iii) assigns in favour of the Security Trustee by way of security with full title guarantee, as security for the payment and discharge of the Secured Obligations, the proceeds of certain insurance policies, its rights to the Assigned Account, and its rights under certain contracts (including the Hedging Agreements and the Transaction Documents) (together, the "**Assigned Assets**"); (iv) charges with full title guarantee in favour of the Security Trustee by way of first fixed charge, as security for the payment and discharge of the Secured Obligations, the Shares, the Investments and the Assigned Assets; and (v) charges with full title guarantee in favour of the Security Trustee by way of first floating charge all of its present and future property and undertaking, in each case subject to certain exclusions

(where the terms "**Finance Documents**", "**Finance Parties**", "**Subordination Agreement**", "**Guarantors**", "**Secured Parties**", "**Assigned Account**", "**Transaction Documents**", "**Accounts**", "**Hedging Agreement**", "**Shares**", "**Investments**", "**Security Trustee**" and "**Charged Assets**" have the meanings given to them in the Facilities Agreement or the Debenture, as appropriate);

- (C) under the Debenture, the Subsidiary covenants not to create or permit to subsist any security over all or any part of the Charged Assets or dispose of or otherwise deal with any part of the Charged Assets save to the extent permitted by the Facilities Agreement;
- (D) the Debenture contains a covenant for further assurances (which includes an obligation to execute and complete a legal charge over certain real property) and shall remain in

full force and effect as a continuing security for the Secured Obligations unless and until discharged by the Security Trustee; and

- (E) under one or more legal charges, which are supplemental to the Debenture, the Subsidiary charges with full title guarantee in favour of the Security Trustee, as security for the Secured Obligations, the freehold and leasehold property specified therein.

CB051800105

**INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS OF COUNTRY CLUB
HOTELS LIMITED PURSUANT TO SECTION 156(4) OF THE COMPANIES ACT
1985**

We have examined the attached statutory declaration of the directors of Country Club Hotels Limited (the "Company") dated 14 July 2005, prepared in accordance with applicable United Kingdom law, in connection with the proposed financial assistance to be given by the Company's subsidiary, Priory Leisure Limited, in relation to the purchase of the shares in Swift Hotels Limited, its holding company, particulars of which are given in the attached statutory declaration.

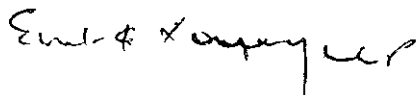
This report is made solely to the directors of the Company in accordance with section 156(4) of the Companies Act 1985. Our work has been undertaken so that we might state to the directors those matters we are required to state to them in an auditors' report under section 156(4) and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the directors, for our audit work, for this report, or for the opinions we have formed.

Basis of opinion

We have enquired into the state of affairs of the Company so far as necessary in order to review the bases for the statutory declaration.

Opinion

We are not aware of anything to indicate that the opinion expressed by the directors in their statutory declaration as to any of the matters mentioned in section 156(2) of the Companies Act 1985 is unreasonable in all the circumstances.



Ernst & Young LLP
Registered Auditor
London
14 July 2005

